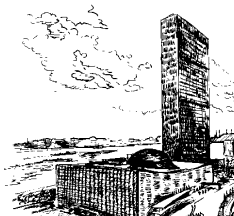


Part 8



Specialized Agencies and Other Bodies

Food and Agriculture Organization (FAO)

FAO, established in 1945 in Rome, is one of the oldest and largest of the UN specialized agencies. It now has 175 member nations. The FAO is the chief international center for data and expertise in the fields of agriculture (including plant and animal genetic resources), fisheries, forestry, and food-related issues, and the only source of comprehensive data for all agricultural commodities, forestry and fishery products, and related ecosystems.

FAO was established to promote enhanced food security (through improved nutrition and expanded production and distribution of food and agricultural products) and to improve the lives of rural populations. Its in-depth institutional knowledge of farming and natural resources and its response capability in pest control emergencies are key assets for U.S. agricultural, economic, and humanitarian interests.

FAO develops international standards and promotes measures to ensure food safety and quality and safe agricultural chemical use. FAO also helps protect world agriculture and consumers through training and field disease control programs aimed at eradicating plant and animal diseases and pests, and through stewardship of genetic diversity. Of particular importance are the joint FAO/World Health Organization Codex Alimentarius Commission, the revised International Plant Protection Convention, control of international plagues such as desert locusts, and revising the International Undertaking on Plant Genetic Resources. FAO, in conjunction with the UN Environment Program (UNEP), is responsible for the recently concluded Rotterdam Convention on Prior Informed Consent for Certain Hazardous Chemicals and Pesticides in International Trade (PIC). The interim PIC secretariat is jointly located at FAO headquarters and at UNEP in Geneva.

FAO is the international body with sufficient expertise, membership, and mandate to help resolve global fishery problems. In an era when sixty to seventy percent of the world's capture fisheries (areas where fish are caught by nets) are overfished, global leadership in addressing overfishing

is essential. The FAO has demonstrated its ability to provide this leadership, both through its development of the Code of Conduct for Responsible Fisheries in 1995, and through the development of “global plans of action” in 1998 to solve widespread problems related to fishing overcapacity, to incidental catch of seabirds in longline fisheries, and to conservation and management of sharks.

In the aftermath of natural disasters, FAO is the agency in the UN system that provides appropriate seeds and tools to farming communities to help reestablish agricultural production.

FAO’s highest policy-making body, the biennial Conference, is composed of all 175 FAO member states plus the European Union, which is a member organization. The Conference approves FAO’s program and policy objectives, and adopts its program of work and budget. Jacques Diouf (Senegal), elected Director General in 1993, will serve through December 1999. A 49-member Council, of which the United States is a member, is elected by the Conference and serves as the interim governing body.

FAO derives its operating funds from its regular program budget, funded through the assessed contributions of its members, and from extrabudgetary activities carried out with other international organizations, financial institutions, and bilateral trust fund donors. FAO’s regular program of work and budget operates on a biennial cycle and is approved by the FAO Conference. Regular program support results from assessed contributions, based on the UN assessment scale. At 25 percent, the United States was assessed \$80,972,500 for calendar year 1998 (paid in Fiscal Year 1999). U.S. arrears to the FAO total over \$105 million.

The United States and other major contributors continue to encourage FAO to be more active in the system-wide UN reform process and more transparent in its decision-making. The United States also continues to seek additional reforms within the organization to improve governance and to further streamline its activities. The United States is contributing to the major effort FAO is making to prepare a “Strategic Framework,” which for the first time will enable FAO to have a long-term planning mechanism.

The United States played a very active role in the successful negotiation of the Rotterdam Convention on PIC, which was signed in September 1998. The new agreement builds on an existing voluntary procedure in which 154 countries currently participate, and has broad support from the environmental community and from major U.S. chemical producer associations.

The United States also played a leadership role in the development of the three significant plans of action on shark conservation, reduction of

seabirds caught in longline fishing, and management of fishing capacity that have been handled by FAO's Fisheries Department.

In 1998, the United States served on the Finance Committee, and continued to press for good governance.

International Atomic Energy Agency (IAEA)

The IAEA serves a critical role in U.S. nuclear non-proliferation policy. Through its system of international safeguards, the IAEA provides critical assurance that nuclear materials under safeguards are used exclusively for peaceful purposes. There are 128 member states of the IAEA. The 35-member Board of Governors (Board) is responsible for providing overall direction and guidance with respect to the Agency's policies and program implementation. The United States holds a *de facto* permanent seat on the Board. The Board meets in March, June, September, and December. The General Conference is held in September. It consists of all IAEA member states and carries out general oversight of the Agency's work. In 1998, the Secretariat had 914 professional posts subject to geographical distribution, of which the United States held 142, which is 15.5 percent of the total. The fourth Director General of the IAEA, Mohamed El-Baradei (Egypt), assumed office on December 1, 1997.

The highlight of the year in the safeguards field was the large increase in the number of Additional Protocols signed by member states. When brought into force and implemented in individual states, such protocols will significantly enhance the Agency's ability to detect undeclared nuclear activities. By the end of 1998, 38 member states had signed the Protocols, including the countries of the European Union and Japan, and seven had either brought them into force or were implementing them provisionally. In routine safeguards implementation, the IAEA performed 2,488 on-site inspections at 591 facilities and other locations in 59 member states. The United States continued its substantial extrabudgetary contribution to the safeguards field by providing the Agency with both equipment and expertise to strengthen the safeguards system. It also accepted safeguards inspections at three sites holding fissile material declared excess to defense needs.

U.S. participation in nuclear safety activities by numerous U.S. agencies continued in 1998. The U.S.-supported Extrabudgetary Program for Russian-type reactors was successfully concluded, with consensus having been reached on the recommendations for future work related to the design and operation of early-generation nuclear power plants. The United States will continue to support further IAEA work in these safety-related areas. The United States also supported the newly formed Extrabudgetary Program on the Safety of Nuclear Installations in Southeast Asia, Pacific, and Far East countries. Following a General Confer-

ence resolution, work was begun with U.S. support to address the Year 2000 computer problem and its potential impact on the safety of nuclear installations in member states. Another initiative precipitated by a General Conference resolution will generate an IAEA report evaluating the status of national systems for ensuring the safety of radiation sources and the security of radioactive materials. The IAEA also continued preparations for the first meeting on the Convention on Nuclear Safety, which the United States has not yet ratified.

In addition to its routine inspection activities, the IAEA also carried out important non-proliferation functions in the Democratic People's Republic of Korea (DPRK) and Iraq in 1998. On the basis of a decision by the Board following a request of the UN Security Council in 1994, the IAEA maintained continuous inspections at the Nongbyon Center in the DPRK in order to monitor the October 1994 Agreed Framework provision for a freeze on the DPRK's graphite-moderated reactors and related facilities.

In Iraq, the IAEA also implemented the mandate assigned to it by resolutions of the UN Security Council. In 1998, IAEA inspectors conducted 445 inspections in Iraq at 206 locations, 79 of which were inspected for the first time. There was no indication of prohibited activity, equipment, or material detected during these inspections, although the IAEA has cautioned the Security Council that, despite the scope and intensity of its verification measures, a degree of uncertainty in any countrywide verification process is inevitable.

The U.S. regular assessment is approximately 25 percent of the IAEA's total resources from assessments and amounted to approximately \$58 million in 1998. The United States remained the largest single contributor of voluntary support to the IAEA. The U.S. extrabudgetary contribution of \$36 million went to support the following: the Technical Cooperation Fund, the U.S. program of technical assistance to safeguards, cost-free experts, in-country technical projects, U.S.-hosted training courses and fellowships, nuclear safety projects, and application of safeguards on nuclear material declared excess to defense needs in the United States. With the steady increase in IAEA responsibilities, key programs, including safeguards, are consistently underfunded, and the IAEA is increasingly reliant on voluntary contributions, which are unpredictable and generally inadequate.

International Civil Aviation Organization (ICAO)

ICAO, established in 1944, and a UN specialized agency since 1947, fosters the safe and orderly growth of international civil aviation. ICAO sets international standards and recommended practices for civil aviation,

thus ensuring its safety and security worldwide, and provides technical expertise for countries in matters of air safety and security. Because the United States dominates civil aviation fields of research, safety and security innovations, and aviation manufacturing and transport, both the public and private sectors in the United States have great interest in the work of ICAO. In 1998, the membership of ICAO was 185 states. Of the 281 professional staff of ICAO, 12 were U.S. citizens.

The ICAO Assembly, the senior policy-making body which meets once every three years, convened in September 1998. Important initiatives were advanced at the Assembly on a number of aviation safety and security matters. Most important among them is the adoption of an enhanced and more effective Universal Safety Oversight Program, providing for regular, mandatory, systematic, and harmonized aviation safety audits of all member states. This program calls for the release of audit reports with greater transparency and increased disclosure, as well as assistance to member states in meeting their obligations to oversee commercial air-transport operations.

The Assembly adopted a U.S.-initiated resolution calling for strengthened trade controls over Man-Portable Air Defense Systems which could pose a security threat to civil aviation. The Assembly also adopted another resolution initiated by the United States which maintains the reform momentum begun at the 1995 Assembly and requires action on streamlining, reducing administrative costs, consolidating regional offices, and other areas.

The Year 2000 computer problem was highlighted, and the Assembly agreed to proposals by the United States and other states for action. The resolution adopted required, *inter alia*, that member states provide information to ICAO on the compliance status of their aeronautical services by July 1, 1999.

During 1998, ICAO continued to work toward the implementation of the Global Navigation Satellite System (GNSS), an advanced satellite navigation system using the U.S. Global Positioning System and the Russian Global Navigation Satellite System for the use of civil aviation. The Assembly adopted a Charter on the Rights and Obligations of states relating to GNSS services.

Through its Committee on Aviation and Environmental Protection, ICAO also continued its work on measures to reduce greenhouse gas emissions from aviation.

Work continued during 1998 to modernize the Warsaw Convention in relation to just compensation for passenger victims of air disasters and other accidents. The Legal Committee initiated a study group on this subject in preparation for a diplomatic conference to be held in May 1999.

ICAO's budget for 1998 was \$46.5 million, of which the United States' share, at 25 percent, was \$11.6 million. This amount was paid in November 1998. The United States also was assessed \$570,000 for its share of costs of the ICAO Joint Financing Program which manages air navigation services in the North Atlantic, bringing the total U.S. payment in 1998 to \$12.1 million. The U.S. Government provided additional financial and in-kind resources for the safety oversight and aviation security programs of ICAO.

International Fund for Agricultural Development (IFAD)

IFAD has a mandate unique among multilateral lending institutions, in that it focuses exclusively on increasing food production, improving living conditions, and enhancing rural incomes in developing countries through loans and grants for projects specifically benefiting the rural poor. IFAD's target groups are small farmers, the rural landless, nomadic pastoralists, artisanal fisherfolk, indigenous people, and poor rural women. The bulk of IFAD's resources are made available to low-income countries on highly concessional terms, repayable over 40 years.

IFAD is funded through donor contributions to periodic replenishments and from investment and interest income. The United States has been contributing \$5 million per year for six years to the Fourth Replenishment which began in 1997. Since its establishment in 1977, IFAD has financed 489 projects in 111 countries, to which it has committed \$5.67 billion in grants and loans. IFAD-funded projects have assisted 30 million poor rural households or approximately 200 million people. Seventy percent of IFAD's projects have benefited African and Asian countries, while Latin America and the Caribbean, the Middle East and North Africa, and Central and Eastern Europe have been the beneficiaries of the remaining 30 percent. In 1998, IFAD provided 30 loans valued at \$303 million and 24 grants totaling \$24 million.

IFAD's highest authority is its Governing Council, on which all 161 member states are represented. IFAD's current operations, particularly the approval of loans and grants, are overseen by the Executive Board, consisting of 18 members, including the United States. IFAD's President serves as Executive Board Chair and Chief Executive Officer of the fund. Under the leadership of second-term President Fawzi H. Al-Sultan of Kuwait, IFAD has pursued a vigorous reform agenda, cutting administrative costs over 23 percent since 1994, while preventing personnel growth during the past five years. IFAD provides worldwide coverage with only 126 professional staff. IFAD has proven effective in advancing its development agenda in agricultural projects, grassroots democracy, and

women's and environmental issues at relatively low cost, and in areas of the world where it is difficult for the U.S. Government to work.

International Labor Organization (ILO)

The ILO, founded in 1919, is the only tripartite organization in the UN system. Based in Geneva, it has 174 member countries represented by governments, workers, and employers. The ILO is the only international agency in which the private sector participates fully with government.

The ILO's mandate is to advance humane conditions of labor and social stability around the world by promoting democracy and human rights, employment and the alleviation of poverty, and equality and protection of working people. The ILO seeks to define common standards of decency applying to workers among nations involved in international trade. American workers and businesses can compete fairly if international labor standards help level the playing field. With the ILO's tripartite system, U.S. businesses and workers benefit by participating in the development of international labor standards that affect their operations.

Because the United States is one of 10 countries of "chief industrial importance," the U.S. Government has a permanent seat on the ILO's 56-member Governing Body. In addition, an American worker (from the AFL-CIO) and an American employer (from the U.S. Council for International Business) have each won election to seats on the Governing Body. They speak and vote independently of the U.S. Government.

Government, worker, and employer delegations from the United States actively participated in Governing Body meetings in March and November, and in the 86th International Labor Conference in June. U.S. delegations also participated in four sectoral meetings during 1998: Employment and Industrial Relations in Oil Refining, the Human Resources Dimension of Structural and Regulatory Changes and Globalization in Postal and Telecommunications Services, Technology and Employment in the Food and Drink Industries, and Export-Processing Zones-Operating Countries.

During 1998, consideration of an ILO Declaration on basic labor rights and its follow-up dominated much of the attention of the Governing Body and the June Conference. The chief U.S. Government objectives in 1998 in the ILO included adoption of the declaration with a vigorous follow-up mechanism attached. Other major U.S. objectives were keeping up pressure on countries that violate worker rights, support for ILO efforts to eliminate exploitative child labor, and achieving the election of a new Director General firmly committed to both worker rights and reform.

Progress toward these objectives was as follows:

- Despite substantial opposition, the International Labor Conference

in June adopted the “ILO Declaration on Fundamental Principles and Rights at Work,” with a follow-up mechanism, by a vote of 273 (U.S.) to 0, with 43 abstentions. This committed all 174 member states to respect four principles embodied in seven ILO “core” conventions: freedom of association and collective bargaining, elimination of forced labor, elimination of exploitative child labor, and non-discrimination in employment. The Declaration recognizes that all ILO member states, whether or not they have ratified the conventions, have an obligation to respect these fundamental workers’ rights. To encourage implementation of these principles and rights, a monitoring mechanism will review performance and progress. In November 1998, the ILO Governing Body (GB) approved a number of key details implementing the follow-up mechanism, including a schedule of reports and surveys to encourage observance of the principles.

- Based on thorough study, ILO supervisory bodies (GB, GB Committee on Freedom of Association, Independent Committee of Experts, and the ILO Conference Committee on the Application of Standards) in 1998 highlighted serious abuses of trade union and other fundamental rights in Nigeria, Burma, Sudan, Indonesia, Cuba, Colombia, and elsewhere. A Special Commission of Inquiry produced extensive documentation on forced labor in Burma and laid out a series of recommendations on which both the Committee of Experts and the Governing Body will monitor progress. In each case, the United States strongly supported the consensus endorsing these steps.
- In March 1998, Juan Somavia (Chile) was elected Director General of the ILO. He has a firm commitment to agency reform and to labor rights. Strongly supported by the United States, Somavia won easily.
- The first of two required discussions by the International Labor Conference of a new convention on elimination of the “worst” forms of exploitative child labor (e.g., prostitution, drug trafficking, pornography) was also held in 1998. The United States hopes for adoption following the second discussion scheduled for June 1999, but a number of contentious issues must first be resolved. However, a discussion of a possible convention and/or recommendation concerning contract labor, with the U.S.-supported goal of providing the same level of protection regarding wages, hours, and terms and conditions of work for “contract” workers as “employees” in an enterprise, founded over the definition of “contract labor.” After a panel of experts reexamines this issue, the ILO plans to revisit it in 2000 or 2001.

The United States sees the ILO as an important vehicle with which to highlight and attack exploitative child labor, a major U.S. priority. In 1998, the U.S. Congress appropriated \$30 million which will be used to

support the ILO's "International Program for the Elimination of Child Labor." ILO programs in Bangladesh and Pakistan are removing children from industries and placing them in schools and rehabilitation centers. An ILO program in Brazil removes children from shoe factories. Other ILO child labor programs will withdraw children in Central America from such hazardous work as fireworks production.

In 1998, the ILO adopted a detailed recommendation on conditions to stimulate job creation in small and medium-sized enterprises. This recommendation, which recognized the critical role played by small and medium-sized enterprises in the ongoing growth of market economies and jobs, was strongly supported by the United States. An informal tripartite ministerial-level meeting on more and better jobs for women was attended by U.S. Labor Secretary Alexis Herman and highlighted an important issue and helped mobilize resources.

The new UN Staff College, located at the ILO Training Center in Turin, completed its first full year of operation in 1998. A self-funding institution, the UN Staff College seeks to contribute to the ongoing process of system-wide UN reform through short, focused training in areas such as management within existing resources.

The U.S. assessment for the ILO in Calendar Year 1998 was 83.9 million Swiss francs, or approximately \$60 million.

International Maritime Organization (IMO)

The IMO's principal objectives are to foster cooperation among governments on technical matters affecting international shipping, to achieve the highest practicable standards for maritime safety, and to prevent marine pollution. The IMO also develops conventions and treaties concerning international shipping, facilitates international maritime affairs, and provides technical assistance in maritime matters to developing countries. The IMO tracks UN Conference on Environment and Development and Kyoto Climate Change-related issues in the Marine Environment Protection Committee, one of its major work programs.

IMO membership increased in 1998 to 156 states with the acceptance of the Marshall Islands. Hong Kong, China, and Macao continue as associate members. All members and associate members may participate in the IMO's biennial Assembly (held in odd calendar years). The 50th and 51st Council meetings were held in London June 15-19 and November 16-20, respectively. The 32-member IMO Council, on which the United States has always been a member, is responsible for all functions between the Assembly's biennial meetings.

Operating under a zero-nominal-growth budget (when compared to the 1996-1997 biennium), the IMO in 1998 began implementation of its first program-based budget. The budget now clearly reflects the costs associ-

ated with detailed elements of IMO's work programs and the priorities associated with each of the programs. In 1998, the IMO began implementing the second phase of its budgetary reform efforts, i.e., detailing performance indicators and output measures for each of the major programs. As a consequence, greater transparency has been achieved in the 1998-1999 biennium, an accomplishment which will be further refined in the 2000-2001 biennium.

In the Technical Cooperation Committee (TCC) meeting in June 1998, the United States Coast Guard and the Canadian Coast Guard jointly presented a paper on approaches in bilateral technical maritime cooperation as a model for other countries. The TCC adopted a U.S.-delegation recommendation inviting member states that are providing technical assistance in the maritime sector to inform the Secretariat of their activities, ongoing and planned, which directly or indirectly address the goals of the IMO regarding safer shipping and cleaner oceans. The IMO is to maintain this resulting inventory of the maritime TCC activities for the benefit of governments, nongovernmental organizations, and the private sector.

In 1998, the United States also played a key role in other technical accomplishments of the IMO, including: the adoption of amendments to the International Convention on Safety of Life at Sea (SOLAS) to improve stability, search and rescue, and safety of shipping; termination of the trials in which the officer in charge of the navigational watch was permitted to act as the sole look-out in periods of darkness (i.e., one-man bridge at night); adoption of mandatory ship-reporting systems in two areas off the east coast of the United States for protection of the endangered right whale; agreement to develop an instrument on control of harmful or invasive aquatic organisms and pathogens (i.e., nonindigenous aquatic nuisances) resulting from improper management of ballast water; and agreement to develop an international instrument on the use of anti-fouling paints.

The IMO also began consideration of a more equitable funding arrangement for the North Atlantic Ice Patrol, a service created after the sinking of the Titanic to observe and warn of iceberg hazards in North Atlantic shipping routes off Newfoundland. This international service is carried out by the United States Coast Guard under the authorization of SOLAS.

As a major player in international maritime trade, the United States reaps great benefits from the work of the IMO while paying only about 4 percent of its assessed budget (about \$1.3 million yearly). Assessments are based chiefly on registered shipping tonnage, with Panama and Liberia, as major flags-of-convenience countries, among the most important contributors. The IMO is one of the few UN-related organizations in which the United States has no arrearages.

International Monetary Fund (IMF)

The IMF has a long-standing agreement to work in cooperation with the United Nations. The IMF provides a permanent forum for member states to review world economic trends, discuss the economic policies of individual members, promote international monetary cooperation, and enable the expansion and balanced growth of world trade.

The IMF also provides technical advice to member states and offers financial support to those countries suffering balance-of-payments difficulties that are taking steps to correct those problems. The IMF remains especially active in helping former Soviet states make the transition from command to market economies. In 1998, the IMF continued to lead the international response to the global financial crisis, mobilizing over \$100 billion in multilateral and bilateral financing to restore market confidence in the affected countries and assist them in enacting sound economic reforms.

International Telecommunication Union (ITU)

The principal objective of the ITU is the promotion of international cooperation for the use of telecommunications. Established in 1865 as the International Telegraph Union, the ITU now serves as a forum where governments and the private telecommunications sector coordinate the establishment and operation of telecommunication networks and services. Dealing with technical issues of standardization, the work of the ITU has important commercial consequences. At the end of 1998, there were 189 member countries, with one addition during the year. Plenipotentiary Conferences, to which all ITU members are invited, are held every four years.

ITU Council. The 46-member ITU Council, which serves as the governing body of the Union between Plenipotentiary Conferences, held its annual meeting in Geneva May 20-29, 1998. The main focus of the Council was the preparation for and the agenda of the Plenipotentiary Conference later in the year.

1998 Minneapolis Plenipotentiary Conference. The United States hosted the 1998 ITU Plenipotentiary Conference, recognizing the importance of telecommunications to U.S. industry and government, and the dominant role of the U.S. private sector in global telecommunications. The U.S. delegation was led by Ralph Everett. Vice President Gore gave the Conference's keynote address.

The Plenipotentiary strengthened the role of the private sector and approved a zero-nominal-growth budget of 665 million Swiss francs for the next four years. Cost recovery for ITU services was a major issue at the Plenipotentiary, resulting in a resolution of principles of cost recovery,

which will prevent the use of cost recovery for additional income generation for the Union. The Plenipotentiary Conference reaffirmed the 1998 Council decision to charge for satellite network notification. Yoshio Utsumi (Japan) was elected as ITU Secretary General, and Roberto Blois (Brazil) was elected as Deputy Secretary General. The Conference was successful in constitutionally streamlining many of the Union's technical activities, and reducing duplication or removing obstacles to growth of telecommunications, the Internet, and electronic commerce. Fourteen Arab nations advocated making Palestine an ITU member. This proposal was rejected. However, the Conference gave Palestine an external access code, call signs, and frequency notification assignment. The next Plenipotentiary will be in Morocco in 2002.

World Radiocommunications Conference. The biennial World Radiocommunications Conference (WRC) will be held May 8–June 2, 2000, in Istanbul. Issues covered by the WRC include continuation of the process of simplification of the Radio Regulations, allocation of additional radio spectrum for new commercial satellite systems, revision of the maritime mobile and aeronautical mobile regulations, and revision of the coordination procedures for high frequency broadcasting. This includes the provision for digital service and changes to the coordination procedures for satellite systems to discourage hoarding satellite orbital slots. Of particular importance to the United States is the protection of the Global Positioning System (GPS) from efforts to obtain frequency allocation for mobile satellite systems that could cause interference with GPS aeronautical and maritime navigation systems.

International Trade Center (ITC)

The ITC is the UN's focal point for technical cooperation in trade promotion. A joint-subsidary organ of the United Nations and the World Trade Organization (WTO), the ITC works with developing countries and economies in transition—especially their business sectors—to set up effective trade promotion programs for expanding their exports and improving their import operations. Headquarters operations are funded jointly by the UN Conference on Trade and Development (UNCTAD) and the WTO. Technical cooperation programs are funded by the UN Development Program (UNDP) and by voluntary contributions from governments and organizations. ITC headquarters are in Geneva.

At the ITC's annual joint advisory board meeting in April 1998, both the WTO and UNCTAD indicated satisfaction with the new course adopted by the ITC since 1994. At that time, ITC had embarked on a program designed to better focus the Center's work program to assist the neediest countries, primarily in Africa. One product of the ITC's new orientation is the WTO/UNCTAD/ITC Joint Integrated Technical Assistance

Program in Selected Least-Developed and Other African Countries (JITAP), launched in March 1998. JITAP's funding objective is \$10 million for projects in 7 sub-Saharan countries. In addition, the ITC is responsible for supporting an administrative unit that coordinates the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries which was established by the High-Level Meeting of the WTO, UNCTAD, ITC, International Monetary Fund, World Bank, and UNDP in late 1997.

UN Educational, Scientific, and Cultural Organization (UNESCO)

The United States believes that UNESCO has largely addressed the issues that led to U.S. withdrawal from the organization in 1984. The United States views positively UNESCO's useful work in a number of fields, and has wide contact with the organization. The United States is a signatory to a number of international conventions and agreements for which UNESCO serves as secretariat, and remains routinely involved in implementation of these instruments.

As a non-member of UNESCO, the United States paid no assessed contribution in 1998, but participated in and provided modest voluntary support to various UNESCO programs that serve priority U.S. interests. These included UNESCO activities in support of:

- a free, pluralistic, and independent press, and the free flow of information;
- civic education, especially in newly democratizing countries;
- reinforced role for civil society in preventing conflict;
- heightened access to education for girls and women;
- collaborative ocean research activities;
- protection of natural and cultural heritage; and
- geological science research.

The United States participated, at UNESCO's invitation, in various international meetings arranged by the organization in 1998:

- At a conference on cultural policies and development (Stockholm, March 30-April 2), the United States vigorously asserted, before a number of ministers of culture and other senior culture officials from 144 countries, the importance of freedom of expression as the cornerstone of cultural policy.
- The "World Conference on Higher Education" (Paris, October 5-9) brought together education ministers and other leaders from 180 countries. The conference provided international outreach to U.S.

higher education, an increasingly important sector of the U.S. economy, and allowed its leaders to participate directly in shaping international priorities for the reform of higher education.

- An experts meeting on a draft international convention to protect underwater cultural heritage provided the United States a forum to promote important conservation equities in a manner consistent with U.S. interests as a major maritime power.
- The Intergovernmental Oceanographic Commission (IOC)—a functionally autonomous UNESCO body of which the United States remains a full member—provides a forum for the United States to directly engage scientists and governments in both developing and industrialized countries in cooperative global oceanographic research and marine operations, and in exchange of scientific data. The United States exercises leadership through its membership on the IOC's Executive Council, which meets annually, and through its support of specific IOC activities. The value of voluntary U.S. cash and in-kind contributions to the IOC in 1998 totaled approximately \$1.5 million.
- The World Heritage Committee, of which the United States is a member, oversees activities related to the implementation of the 1972 World Heritage Convention. An initiative of the Nixon administration, the Convention is the most widely accepted conservation agreement in the world. U.S. participation in the annual Committee meeting provides an opportunity to shape programs that promote U.S. international conservation goals. The United States made voluntary contributions totaling approximately \$550,000 to the Committee's World Heritage Fund in 1998.

In 1998, the United States also followed the work of the two regular meetings of UNESCO's Executive Board, which monitors management reform and program implementation.

Universal Postal Union (UPU)

The UPU exists to facilitate international communications through the efficient operation of postal services across borders. The United States has been a member of the UPU since its founding (as the General Postal Union) in 1874. There are now 189 members with no changes to membership during 1998. The UPU Congress meets every five years to review and revise its conventions, regulations, and other agreements. The next Congress will be held in Beijing in 1999.

Council of Administration. The Council of Administration, responsible for questions of governmental policy and administration, met October 19-21 in Bern, Switzerland, and adopted a 1999 budget of 35.7 million

Swiss francs (\$25.5 million), the third year of zero nominal growth in its budget. The United States supported the zero-growth budget. The U.S. share of the budget remains approximately six percent. A strategic program budget is now in its fourth year, running parallel with a traditional budget. It is slated to replace the traditional budget in the future. UPU members were generally satisfied with the 1999 budget presentation.

Postal Operations Council. The Postal Operations Council met twice during 1998 at UPU headquarters in Bern, Switzerland. Created by the 1994 Seoul Congress, the Council is responsible for operational and commercial questions. The United States continued its leadership of the cost study of the financially significant terminal dues system used by postal administrations to reimburse each other for mail delivery.

World Bank Group

The World Bank Group (the Bank) is composed of the International Bank for Reconstruction and Development (IBRD), established in 1945, the International Development Association (IDA), established in 1960, the International Finance Corporation (IFC), established in 1956, and the Multilateral Investment Guarantee Agency (MIGA), established in 1988. From their creation through June 30, 1998, the IBRD and the IDA have provided more than \$425 billion in loans, either at near-commercial terms (IBRD) or at concessional terms (IDA), for development projects and to support economic reform. During the Bank's 1998 fiscal year (ending June 30), 180 nations were IBRD members, 159 belonged to the IDA, 172 were members of the IFC, and 141 were members of MIGA. The United States remains the Bank's largest shareholder, with 17 percent of shares in the IBRD, 15 percent in the IDA, 24 percent in the IFC, and 21 percent in MIGA.

James Wolfensohn took office as president of the World Bank in 1996. Within the context of broad reform programs at the Bank and the United Nations, he has emphasized improved cooperation. This has manifested itself in several ways. A special UN Development Program-Bank task force is charged with fine-tuning the relationship in the areas of provision of technical assistance, grant funding, project implementation, and governance issues. The Bank and the United Nations have committed to high level, quarterly meetings to continue the policy dialogue. In May 1998, 30 Economic and Social Council ambassadors spent a day at the World Bank discussing policy, common challenges, and future collaboration.

At the institutional level, the two organizations have been working together to improve cooperation and coordination at the country level. The Bank hopes this will bring major improvements in development effectiveness. The Bank has a Memorandum of Understanding with the Office of the UN High Commissioner for Refugees covering operations in post-

conflict areas. There is also joint Bank-World Health Organization (WHO) cooperation on WHO's "Roll Back Malaria" campaign. The Bank is a major financier for the UN Special Initiative for Africa. The Food and Agriculture Organization and the Bank have a special food security program in Africa. At the operational level, there are hundreds of projects that are jointly financed and/or implemented by the Bank and the UN agencies in agriculture, industry, health, and education.

World Health Organization (WHO)

WHO, based in Geneva, was established in 1948 with the objective of "...the attainment by all peoples of the highest possible level of health..." and celebrated its 50th anniversary in 1998. The anniversary was marked by a special event at the annual World Health Assembly—featuring a presentation by U.S. First Lady Hillary Rodham Clinton—and in the private sector by numerous reviews of global health issues and recommendations for future WHO action. After 50 years of activity, WHO was working in 1998 in close partnership with 191 member states and 2 associate members, many intergovernmental agencies, more than 180 nongovernmental organizations, and nearly 1,200 leading health-related institutions around the world designated as "WHO collaborating centers."

During 1998, U.S. representatives participated in meetings of the World Health Assembly, the WHO Executive Board, regional committees for the Americas, the Western Pacific, and Europe, and the 18-member Governing Council of the International Agency for Research on Cancer. U.S. officials also participated in meetings of the management committees of WHO's major voluntarily funded programs, and of the UN Joint Program on HIV/AIDS (UNAIDS), which is cosponsored by WHO and five other agencies. Within the WHO staff, there were more American citizens in professional posts than any other nationality. At year's end, Americans held the senior posts of executive director of the communicable diseases cluster, legal counsel, director of internal audit and oversight, and director of the division of personnel.

The key event of the year was the nomination and election of Dr. Gro Harlem Brundtland, former prime minister of Norway, as WHO's fifth Director General. She was nominated in a secret ballot vote by the Executive Board in January 1998. Although the United States did not have membership on the Board during this meeting, it made it known that it supported Dr. Brundtland over three other candidates. She was then elected by the Assembly in May by a vote of 166 (U.S.) to 7, with 1 abstention. She took the oath of office at the Assembly, although she did not officially begin her five-year term at the helm of WHO until July 21. Outgoing Director General Hiroshi Nakajima (Japan) was named Director General Emeritus by the Assembly.

Immediately after Dr. Brundtland took office, she initiated wide-ranging reforms in WHO's organizational structure and method of work. She eliminated the bureaucratic layers of Deputy Director General and Associate Director General, and took steps to reduce the "director" positions from 50 to 35 and to increase the number of women in professional posts. WHO's program activities were redistributed within nine "clusters" of related activity. She created a cabinet and initiated a system of special "cross-cluster" cabinet-level projects, including campaign pledges to "roll back malaria" and to give special attention to tuberculosis, health care reform, and tobacco control. By year's end, Dr. Brundtland's staff had presented a proposal for the new WHO budget, covering the biennium 2000-2001, with the headquarters portion of the budget reshaped along the lines of the nine new organizational clusters, and with achievement targets set for each of the WHO programs in the course of the biennium. The many changes in WHO's staffing and budgeting were being closely watched by other UN system agencies for possible emulation.

Although the extensive personnel dislocations caused by the reorganization created some concern and confusion among the staff, U.S. officials credited Dr. Brundtland with "heroic efforts" in reformulation of the budget and the WHO structure within the first six months and considered that she had created new excitement and optimism regarding WHO's potential to address global health issues.

In reform initiatives, the Executive Board in January decided to apply a two-term limit to the service of the regional directors, to make that policy coincide with the policy established for the Director General. The normal length of a term is five years. This new policy applied to five of the six regional directors. The one exception, the director of the region of the Americas, serves a four-year term with unlimited potential for renewal, under the provisions of the constitution of the Pan American Health Organization.

. The Board asked the regional director for the Americas to take appropriate steps to have the two-term limit applied in that region as well. The United States had long supported the concept of two-term limits.

The Executive Board in January 1998 also proposed seven amendments to the WHO Constitution. Because proposals must be circulated to member states at least six months in advance, these amendments will be considered by the Assembly in 1999. Subjects addressed by the proposals included new penalties for late payment of assessments and qualifications for membership on the Executive Board, both of which appeared intended to limit U.S. participation. The United States, which did not have membership on the Board for this meeting, did not join in the recommendation that these amendments be sent forward.

At the Assembly in May, the United States was a strong supporter of a reform initiative to reallocate WHO resources among the six regional groups. The result was that more funds would be allocated to Africa and to the new independent states in the European region, while the shares of the WHO budget for the other four regions and headquarters would be decreased. The Assembly also elected the United States to a three-year term on the Executive Board, but, over U.S. objection, agreed to a constitutional amendment (subject to later national ratification) that would increase the Board from 32 to 34 seats. It approved a brief declaration on “Health for All Policy for the 21st Century,” an updating of WHO’s previous guiding principles of “Health for All by the Year 2000,” as well as resolutions on cloning, tuberculosis, sanitation, climate change, and antimicrobial resistance.

The Assembly did not approve a resolution on WHO’s “revised drug strategy” after a contentious debate that continued during the entire meeting. Some developing countries, led by South Africa, insisted that the resolution contain negative references to global trade agreements, particularly the Agreement on Trade-Related Aspects of Intellectual Property Rights, as well as suggestions that countries need not honor patent obligations. The United States and other Western countries would not accept the resolution with this wording included, and, in the end, the Assembly referred the issue to the Executive Board. The Board, in turn, created an *ad hoc* working group, which met for one week in October. Dr. Brundtland, by then the new Director General, offered her good offices to help avert further complication on this subject, and at the end of the meeting there was consensus on a new text, including agreement by both the United States and South Africa. The new text was forwarded to the January 1999 meeting of the Executive Board (which approved it without change), for later submission to the May 1999 Assembly. Dr. Brundtland pledged to initiate a new dialogue with all interested parties, including industry, on issues relating to pharmaceuticals and infant formula.

Several Arab countries at the Assembly introduced a resolution sharply critical of Israeli practices in the “occupied territories.” Israel complained that the text was inappropriately politicized for a meeting on health and called for a vote. The resolution was adopted by a vote of 68 to 3 (U.S.), with 1 abstention. The U.S. delegation said that the health of the Palestinian people was the only legitimate aspect of the issue for this meeting, and pointed out that, while it could not accept this text, the United States provided extensive assistance to the Palestinians.

Several small-country friends of Taiwan, repeating an effort begun in 1997, proposed an agenda item in which Taiwan could be considered for official observer status in WHO—a status that does not exist under WHO rules for territories in the political situation of Taiwan. The Assembly’s

General Committee recommended that the item not be included on the agenda, and the plenary agreed. There was no vote.

On financial and other issues, the U.S. delegation again encountered resistance to some of its initiatives because of the \$39.8 million in U.S. arrears. The amount of the arrearage was not increased during the year, however, since the United States was able to pay in full its 1998 assessment of \$108.4 million. The United States was also the largest contributor of extrabudgetary program funds, providing \$46.1 million, mostly from the Agency for International Development.

In the September meeting of the WHO regional committee for the Western Pacific, Dr. Shigeru Omi of Japan was nominated for the post of regional director. In a secret-ballot election, he defeated Dr. S. T. Han (Republic of Korea), who had been director of the Western Pacific Regional Office, in Manila, for the previous ten years. The United States, while expressing appreciation for the service of Dr. Han, had supported Dr. Omi's election. (The nomination was approved by the Executive Board in January 1999, for a five-year term beginning February 1, 1999.)

Pan American Health Organization (PAHO)

The Pan American Sanitary Conference, the supreme governing body of PAHO, which meets every four years, convened in Washington, D.C., in September. Representatives of all 38 PAHO member states participated, mostly at the ministerial level. U.S. officials were active in that meeting as well as in meetings of the PAHO Executive Committee and its Subcommittee on Planning and Programming.

The major event of the Conference was the reelection of Sir George Alleyne (Barbados) to a second four-year term as PAHO Director, serving simultaneously as WHO regional director for the Americas. The United States strongly supported Dr. Alleyne's election and spoke in his behalf. He was unopposed. Also during the Conference, the United States was elected to a three-year term on the PAHO Executive Committee. Following the Conference, the PAHO Executive Committee decided to send to the 1999 meeting of the Directing Council a proposal that the PAHO Constitution be amended to provide that the PAHO Director serve a five-year term, renewable only once, beginning at the end of Dr. Alleyne's term in 2002. This would bring PAHO election policy into line with that of the other five regions of WHO.

The Sanitary Conference discussed and adopted resolutions on, *inter alia*, the impact of El Nino on health, the health of older persons, HIV/AIDS, vaccines, and reproductive health. Later in the year, PAHO organized an effective task force to help address the severe impact of Hurricane Mitch on the Caribbean countries and Central America. The Conference also gave extensive attention to tobacco, and authorized a fea-

sibility study of a tobacco control convention within the region of the Americas.

The United States, which pays 59.44 percent of the PAHO regular budget, paid its assessment of \$49,927,762 to PAHO in full during 1998. U.S. Government arrears from prior years amounted to \$14,941,094.

International Agency for Research on Cancer (IARC)

The Governing Council of IARC, a subsidiary of WHO, met at IARC headquarters in Lyons, France, in May. Dr. Paul Kleihues (Germany) was elected to a second five-year term as the IARC Director. Member states were outspoken in their praise of his administrative reforms and substantive achievements since taking office five years earlier.

The Governing Council voted to accept the applications of Brazil and Argentina, bringing the IARC country membership to 18. These were the first countries outside the industrialized world to be admitted to membership. The Council also agreed to make special payment arrangements for the Russian Federation, which had not made payment to IARC or participated in the Council meeting since 1993. Desiring to encourage Russia to resume participation, the Council agreed to allow the Federation to take up to 15 years to repay its arrearages, about \$7.6 million, provided that it would agree to pay its 1998 and subsequent assessments in full. However, by year's end, the Russian Federation said it was unable to make these payments, and consideration was being given to a form of suspension of its membership.

During the year, the United States paid its assessment of \$1,665,526 in full. This amounted to 9.17 percent of the budget. United States arrears in IARC amount to \$352,126.

JOINT UN PROGRAM ON HIV/AIDS (UNAIDS)

UNAIDS began formal operations on January 1, 1996. The program is cosponsored by WHO, the UN Development Program, the UN Children's Fund, the UN Population Fund, the UN Educational, Scientific, and Cultural Organization, and the World Bank. The 22-member Program Coordinating Board (PCB), meeting in May in Geneva, endorsed the 1998-1999 biennial budget of \$120 million and the creation of a \$33 million operating reserve fund, which would permit programs to be implemented in a timely way in advance of the receipt of contributions. The United States continued to be the major donor to UNAIDS, providing 26 percent of the annual budget. UNAIDS staff reported that approximately \$550 million was currently available per year for the funding of HIV prevention in the developing world. The United States was shown to have contributed 25 percent of that amount. The program director, Dr. Peter Piot (Belgium), continued his effort to increase available resources. He also

testified on the HIV/AIDS epidemic before the House International Relations Committee in September.

The PCB held an *ad hoc* thematic meeting in December in New Delhi, India, where it endorsed a monitoring and evaluation plan for UNAIDS and urged immediate implementation of the monitoring system, using the best available indicators.

The Committee of Cosponsoring Organizations (CCO) met in Geneva in November under the chairmanship of WHO Director General Brundtland. The CCO approved an approach and timeline for development of a global UN strategy on HIV/AIDS, and it agreed in principle to the request of the UN International Drug Control Program that it become the seventh UNAIDS cosponsoring organization.

UNAIDS staff reported at the end of 1998 that since the beginning of the HIV global pandemic in the mid-1970s, more than 47 million people had become infected around the world. Of these, 14 million had already died of HIV-related illnesses (2.5 million in 1998 alone). Another 33 million were living with HIV, 70 per cent of them in sub-Saharan Africa. It was estimated that another 6 million people would become infected with HIV and more than 2.5 million people would die during 1999.

World Intellectual Property Organization (WIPO)

WIPO was established by a convention that entered into force in 1970. One of the 16 specialized agencies of the United Nations, WIPO is responsible for promoting the protection of intellectual property (copyrights, patents, and trademarks) through cooperation among states, administration of Unions founded on the basis of multilateral intellectual property (IP) treaties, and providing IP-related technical assistance to foster the development and growth of rational IP systems among WIPO members.

Administrative Organization. There are 171 signatories to the WIPO Convention. WIPO administers 17 intergovernmental “unions” or treaties, each founded on a multilateral treaty. The two principal treaties are the Paris and Berne Conventions (151 and 134 signatories, respectively). These treaties, and a number of others, provide for the establishment of an “International Bureau,” or secretariat. The International Bureau operates under the direction of WIPO member states through a General Assembly that meets in ordinary session every second year.

The principal administrative organs of the Paris and Berne Unions are the assemblies of each union, from which all the member states elect executive committees. The combination of these two committees constitutes WIPO’s Coordination Committee. It meets annually and is entrusted with

the normal tasks of such a governing body, including the review and implementation of WIPO's biennial program and budget.

Member states contribute to six of the WIPO unions, known as the "Program Unions." WIPO's 1998-1999 biennial gross assessed budget for the Program Unions is approximately 41,270,000 Swiss francs (about \$28 million). The U.S. share is approximately 6.5 percent of the total assessment. Because of the installation of a new Director General in late 1997, consideration of the 1998-1999 biennial budget, which normally would have occurred at the September 1997 Governing Bodies meeting, was delayed until March 1998 to give the new Director General time to develop his own programs and budget for presentation to the members.

WIPO Governing Bodies. The Governing Bodies of WIPO and the Unions administered by WIPO met in special session March 25-27, 1998, to approve the 1998-1999 WIPO program and budget. They met again in ordinary session September 7-15, 1998.

WIPO-WTO Cooperation. On January 1, 1996, an agreement between WIPO and the World Trade Organization entered into force. It provides for cooperation concerning implementation of the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, namely notification of laws and regulations, communication of emblems of states and international intergovernmental organizations under Article 6 of the Paris Convention, and legal-technical assistance and technical cooperation in favor of developing countries relating to the implementation of the TRIPS Agreement.

World Meteorological Organization (WMO)

The WMO's membership now consists of 179 states and 6 territories. The 50th session of the Executive Council (EC) met in June 1998. At this meeting the EC approved John J. Kelly, Jr., newly appointed Director of the U. S. National Weather Service, as the U.S. Permanent Representative to the WMO.

The Council also agreed to continue to monitor the implementation of its policy on the exchange of meteorological data and analysis products developed by member states (Resolution 40, 12th Congress). The policy provides protection of key U.S. interests in the open and free exchange of meteorological and hydrological data for forecasting, research, and other noncommercial uses, and provides guidelines to protect the intellectual property rights of those who provide analyses based on such data. This EC was the first in which most official documentation was available on the WMO's Internet site well in advance of the convening of the session.

The session adopted a compromise resolution recommending a three-term limit maximum for the position of WMO Secretary General. Assum-

ing it is approved by the 13th Congress in May 1999, it would not become operational until the end of 2003.

The Secretariat proposed a Consolidated Program and Budget of 267.9 million Swiss francs (about \$170 million) for the 13th financial period, i.e., 2000-2003, which represents a 7 percent increase over the zero-nominal-growth (ZNG) budget of 248.8 million Swiss francs for the current (12th) financial period, 1995-1999. The U.S. Permanent Representative disassociated the United States from the EC recommendation to the 13th Congress relating to the proposed budget because it was in excess of ZNG.

Secretary General G.O.P. Obasi (Nigeria) continued his candidacy for reelection to a fifth term as WMO Secretary General when his current term expires in December 1999. Ambassador Manuel Dengo (Costa Rica) is also an announced candidate for the Secretary General position.

The United States continued its financial support for the WMO Voluntary Cooperation Program (VCP). The VCP provides training and equipment to help developing countries participate in WMO programs, particularly the World Weather Watch.